177 instrumental in shaping the destinies of modern China. Nanking, first capital of the Republic and seat of the Nationalist Government, was the measure of this new leadership and the penetration of western political and social ideas. The growth of a new Chinese middle class and professional influence in the twentieth century was most directly attributable to Shanghai and vicinity, where Western economic dominance was more overtly apparent than elsewhere in China. Neither Shantung, which had been closely identified with traditional Chinese civilization, nor Fukien, which had been slow in accommodating to Chinese civilization and tended toward isolation, contributed significantly to the leadership of the new forces in China. But Shantung symbolized China's humiliation by the force of Western arms and provided the spark of Chinese nationalism, while the rugged terrain of Fukien provided a refuge from the Kuomintang for the Communist Party between 1927 and 1934 while it worked out the technique of rural revolution and guerrilla warfare.

186 B. Lin Tse-hsü and Li Hung-chang

The initial reaction of the scholar class to the western intrusion in China was typified by Lin Tse-hsü (1785-1850), a native of Fukien. Commissioned by the Chinese emperor to stamp out the importation of opium at Canton in 1839, Lin adopted an uncompromising

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attitude in the firm belief that he represented the only civilized nation on earth and a righteous and moral cause. His firm stand stirred up resentment among the British promoters of empire, helped precipitate the Opium War, and resulted in his official exile. Before and after his banishment he was aware of the material advances of the West and saw the necessity of China's possession of modern ships and weapons to withstand the "rebellious barbarians."[29]

The superiority of Western arms and technology was even more evident to Li Hung-chang, a native of Anhwei who carried the burden of China's foreign relations in the last three decades of the nineteenth century. He was a leading figure in the formation of China's first modern army and navy, the construction of some of the country's first arsenals and shipyards, the promotion of modern mining, textile industries, and railroad and telegraph systems, and the advocacy of educating Chinese abroad. Yet, he refused to institute changes in China's political, economic, and social system, believing it was based on a superior culture, and his efforts at modernization were sabotaged by graft, corruption, and arbitrary interference in official circles, extending up to the throne.[30]

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29. Fairbank and Teng, op. cit., pp. 23-30.

30. Ibid., pp. 68-76, 78, 86-88, 91-93, 108-12, 118-21.

184 of resistance. There is reason to believe that
565 the poor farmer in East China today is less happy than he was in the days immediately after the completion of land reform. The possibility still exists that changes in government policy may regain for the regime some of the farmer's enthusiasm. However, the fact that authorities in Shanghai have had to initiate a drive to send many peasants back to their villages indicates that life in rural communities in East China does not offer incentive. As a result farmers continue to flood metropolitan centers in search of work and a better living.

657 Available reports show that neither the
565 government nor the farmers are satisfied with the amount of relief and welfare work done thus far, nor with the manner in which this work is done. The Communists claim that the productive harvests in 1951-53 in East China were attributable to the completion of flood control projects on the Hwai River in Anhwei and on the I and Shu rivers in Shantung. Some of the farmers may believe this claim, but the majority will measure the "benevolence" of the new regime against the few benefits so far received.

186 The Chinese farmer's picture of a foreign
565 culture is derived from contact with foreign missionaries. At one time foreign churches were established in all parts of East China with the exception of a few remote districts in southwestern Fukien. Government efforts to foster

186 xenophobia, supported by the effort of the ultra-
565 nationalistic segment of the Chinese elite, dated from the late nineteenth century. Some farmers in this region, particularly those in Shantung Province, are likely to remember, for instance, the stories about the Boxer Rebellion, which terrorized many foreigners. With relish, the Communists are re-telling such stories as specimens of "anti-imperialistic" expressions of the Chinese people. A very small number of farmers who have been less influenced by anti-foreign propaganda and who have received benefits from foreign missionaries may be disturbed by the deliberate mistreatment of missionaries on the mainland. Other farmers who regard the missionaries as an undesirable group may chuckle at the thought of the "foreign devils' downfall." But the majority of farmers have had little or no contact with foreigners; they are not particularly concerned with the latter's fate in Communist China.

184 The Chinese farmer has always hoped to
565 safeguard his family by acquiring land to provide a better education for his children and to maintain the respect of fellow villagers. Now that the farmer can no longer obtain as much land as he hopes, his interest turns to finding ways in which his children, through education, can advance on the socio-economic ladder. The fact that many young people from peasant families have been absorbed in the government "cadre" system may induce the Chinese farmer to look

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In this progress they were aided by the decline of the imperial government of China, the Ch'ing, or Manchu, dynasty. The military and economic impact of the West during the nineteenth century accelerated the decay of the Ch'ing, which had ruled China since 1644. The imperial government's attitude toward the foreigners at the time the first treaty ports were established was still, despite the Anglo-Chinese war of 1841–42 and its humiliating defeat for China, that these Western barbarians must be kept on the margins of the empire and that they must not be treated as equals by receiving them at Peking. Negotiations at each treaty port for the establishment of foreign settlements or concessions were accordingly left in the hands of local officials, but by the time it became apparent that the foreigners could not be contained by such methods, the Ch'ing government was too weak to prevent their further encroachment. It was the hesitancy of the foreign offices at home rather than the lack of opportunity in China which stopped the process short of colonialism.[4]

With the downfall of the imperial system and the rise of republican China under the leadership of the Nationalist party, Chinese nationalism became increasingly jealous of Shanghai as a foreign creation which was an excrescence on the Chinese body politic. While the Chinese were wrong in assuming that twentieth-century Shanghai was primarily a foreign creation, they were right in fixing on the city as the outstanding symbol of the economic exploitation of China by Western commercialism, and as the principal reminder of China's unequal-treaty status with the Western powers. This reaction against Shanghai and against what it stood for was one of the few points on which Nationalists and Communists have consistently agreed. Despite the fact that he and prominent members of his party earned considerable wealth out of the Shanghai economy, and despite the profitable existence in Shanghai of a major segment of China's manufacturing and trading firms as well as its leading banks, Generalissimo Chiang Kai-shek (Chairman of the Nationalist party) had this to say about the treaty-ports in 1943:

> year after year our country's life was increasingly concentrated in these areas. . . Within the concessions the only ones that prospered were the compradores (Chinese agents for foreign firms) . . . and no productive enterprises developed in these ports because they could not absorb people

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from the agricultural villages . . . Economic reconstruction must have its foundation in the national economy. . . This abnormal development of the national economy could not be adapted to the defense needs of the state. . . The main communication routes were based on these easily blockaded cities . . . the imperialists could have strangled the country's economic life. . . The state could not protect itself and the people could barely exist. . .[5]

The Communist condemnation is even more specific:

Shanghai must break off its dependence on the imperialist economy and must be changed from a city where imperialism, compradores, and bureaucrats oppress and exploit the people to one which produces for the domestic market and serves the people. . . Shanghai is the concentrated, typical expression of the colonial or semi-colonial nature of old China's economy. Its so-called prosperity in the past was not founded on an independent, sound economic basis, but on bureaucratic capitalism and on imperialism and its compradores. Shanghai's production was mainly for the selfish interests of a handful of foreign exploiters and domestic compradores and bureaucrats. Most of Shanghai's key enterprises were in the hands of foreigners or Chinese bureaucratic capitalists. The raw materials and power of many industries had to depend on foreign supplies. Such colonial or semi-colonial economic status must be discarded before Shanghai can become a truly prosperous new peoples' city. . .[6]

The Communist armies took Shanghai on May 27, 1949, and in the following months plans were discussed for the relocation of some of Shanghai's manufacturing and population to inland centers where they would be less exposed to outside attack and where their economic activity would redound more generally to the welfare of the country as a whole. These plans were given additional impetus by the Nationalist blockade of the coast and by the United Nations embargo which has followed it, which at present writing appear to have curtailed industrial production in the city to a considerable extent. Writing in late August of 1949, the then mayor of Shanghai, General Chen Yi, stated that the official Communist program for Shanghai was to "change (its) industrial policy from that of dependence on imperialism to that of serving the Chinese people." In order to accomplish this end, and to minimize the effects of the blockade, "we must evacuate the population of the city systemati-